

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

)	
In the Matter of	)	IB Docket No. 02-286
	)	File Nos. ISP-PDR-20020822-0029;
GLOBAL CROSSING, LTD.	)	ITC-T/C-20020822-00406
(Debtor-in-Possession),	)	ITC-T/C-20020822-00443
	)	ITC-T/C-20020822-00444
Transferor,	)	ITC-T/C-20020822-00445
	)	ITC-T/C-20020822-00446
and	)	ITC-T/C-20020822-00447
	)	ITC-T/C-20020822-00449
	)	ITC-T/C-20020822-00448
GC ACQUISITION LIMITED,	)	SLC-T/C-20020822-00068
	)	SLC-T/C-20020822-00070
Transferee	)	SLC-T/C-20020822-00071
	)	SLC-T/C-20020822-00072
Application for Consent to Transfer	)	SLC-T/C-20020822-00077
Control and Petition for Declaratory	)	SLC-T/C-20020822-00073
Ruling	)	SLC-T/C-20020822-00074
	)	SLC-T/C-20020822-00075
	)	0001001014

**COMMAXXESS' SUPPLEMENTAL RESPONSE IN OPPOSITION
TO THE APPLICANTS FOURTH AMENDED APPLICATION FOR CONSENT TO
TRANSFER CONTROL AND PETITION FOR DECLATORY RULING.**

COMMAXXESS provides the following as a supplemental response to the June 30, 2003 filing submitted by the Applicants as the "Fourth Amendment for Consent to Transfer Control and Petition for Declaratory Ruling" to matters filed before this Commission, and in response to the August 18, 2003 letter from Mr. Paul Gagnier, Attorney to Ms. Marlene Dortch, FCC Secretary.

Again these Applicants have withheld information from the Commission and the public that was known by them long before this date and failed to timely keep the record updated with respect to their application as required. On page 2 of their August 18, 2003 letter it states:

"On June 5, 2003, PC Landing announced that the U.S. Bankruptcy Court for the District of Delaware had approved the sale of substantially all of its assets and the assets of its affiliates to Pivotal Telecom, LLC ("Pivotal"). Applicants understand that FCC approval is required with respect to that transaction as it will involve the assignment of PC Landing's cable landing license."

This Commission determines relevance on such applications, not the Applicants.

The Applicants August 18, 2003 letter makes reference to their desire for the Commission to ignore the other comments. Of course the Applicants want the Commission to disregard anything and everything but their machinations.

The Applicants have also failed to notify the Commission that the DIP financing hearing has been adjourned until September 24, 2003, before which time a higher and better offer from this Respondent will be on the table as well as several motions based on cause.

Has anyone at the Commission or CFIUS inquired into the Temasek Holdings ownership interest in COSCO, the shipping arm of the Red Chinese PLA? Reportedly, that ownership stake is 11.5% and is part of the CITIC conglomerate. Notwithstanding the Applicants disposition that nothing but their drivel is relevant, such would be extremely relevant and should be deemed so by this Commission or at least by CFIUS.

Has anyone at the Commission or CFIUS inquired into the relationships between Li Ka-shing, Temasek Holdings and the Government of Singapore, the ultimate parent of STT? Reportedly, Li Ka-shing donated \$19.5 million to the Singapore Management University (SMU). SMU is apparently a propaganda machine for training students in the art of Li Ka Shing's way of thinking and doing business and *"holds the unique position of being Singapore's first private university that is funded by the government"*. Such a relationship should be deemed to be relevant by this Commission.

The Commission should already be keenly aware of the CICC ties of Goldman Sachs, Singapore Government and others in the new Asia Global Crossing after its purchase by China Netcom; dba: Asia Netcom. Such should be deemed relevant and noted by this Commission that just about everyone but the Applicants came forth with that information. Lest the Commission lost count, these Applicants have never responded to the fact that the Government of Singapore is in fact a part owner of the post-bankruptcy Asia Netcom newco.

All campaign finance reporting groups clearly show that Bernard Schwartz is one of the major DNC donors during the Clinton Administration.

USA Today 5/19/99 "...In 1996, the Administration transferred the licensing authority for exporting satellite technology from the State Department, which had opposed giving new technology to China, to the Commerce Department, which immediately approved the transfer. Given the green light by the Commerce Department, Loral Corporation provided China with missile technology to improve its satellite launch and guidance systems. This same technology can be used to improve the performance of missiles aimed at the United States. Loral is headed by Bernard Schwartz, one of the largest Democratic donors in the '96 election cycle...."

Fox News Online 9/13/99 Dan Robrish "....A Pennsylvania company pleaded guilty Monday to illegally giving China technology that could help improve the accuracy of

missiles. Orbit/FR, headquartered in Horsham, 15 miles north of Philadelphia, was fined \$600,000 and could be banned from exporting products for up to 10 years, U.S. Attorney Michael R. Stiles said. The company pleaded guilty in U.S. District Court to violating the Arms Export Control Act. Charges against at least one company official are likely to follow, he said. Orbit/FR had agreed to a \$1 million deal with Chinese North Industries Corp., a major military systems manufacturer for the Chinese army. The software and equipment sold to China were designed to measure the effectiveness of antennas placed in the nose cones of missiles. The system was capable of measuring accuracy within 10 feet over a distance of 10 miles, said Joe Alkus, a Customs Service supervisor."

It appears that maybe the Pennsylvania company failed to donate enough funds to the DNC. Hughes and Loral were let off scot-free for more serious matters and the actual technology that makes the nuclear missiles really accurate. The Loral technology makes the missiles deadly accurate. The Pennsylvania firm's technology only confirms the accuracy; it does not "create" or enable the accuracy. Nuclear weapons are somewhat akin to hand grenades in that "close is good enough" for many applications and can get very close with the Loral technology alone and without a separate technology to "verify accuracy".

The Union Leader 4/23/99 Richard Lessner "...The link between the Clinton-Gore campaign and Red China's military intelligence chief, however, may only be the tip of the illegal contribution iceberg. Millions in Asian money flowed into the Clinton-Gore campaign and the Democratic Party from sources connected to Beijing. The money trail suggests that the Communists used various corporations and business figures as cut-outs to conceal the real source of the contributions. It is this fund-raising nexus between Red China and the Clinton-Gore campaign that elevates Beijing's nuclear spying above the level of a garden variety espionage affair. Was the Clinton administration's inattention to security, and failure to act when informed of Red China's spying at our top secret nuclear weapons labs, related to the campaign funds that were flowing in from Asia? Already one Energy Department official has testified under oath that, when he tried to blow the whistle on lax security at the Los Alamos lab, he was warned off by a Clinton appointee, who ordered the man to withhold from Congress what he knew about possible espionage. The man was told that those investigating possible espionage were interested only in damaging President Clinton and his policy toward China. It also is highly suspicious that the President personally waived export restrictions on the transfer of missile guidance technology to China for two U.S. aerospace firms - Loral and Hughes - whose executives were among the largest contributors to the Clinton-Gore campaign...No, it's not espionage that is troubling; the Clinton administration's lackadaisical attitude toward security is the concern. That and the possibility our secrets were compromised for political motives and campaign contributions.

So far, however, this scandal has yet to spark much public outrage. One reason for this, we suspect, is that the affair has been almost totally neglected by the major TV networks. Contrast this with the Iran-Contra scandal, which led the network evening news shows night after night, the Chinagate affair has been conspicuous in its absence. And imagine for a moment the media firestorm had Ronald Reagan or George Bush taken an illegal campaign contribution from the military intelligence chief of a right-wing dictatorship that was simultaneously stealing our nuclear weapons secrets!..."

Washington Post 5/16/99 Walter Pincus and Vernon Loeb "...The long-awaited document, which could be released this week, concludes that U.S. national security has been damaged by China's theft or acquisition of nuclear warhead secrets, satellite and missile technology, supercomputers, telecommunications equipment, jet engines and

sophisticated machine tools..... The investigation initially focused on two leading U.S. satellite makers, Hughes Electronics Corp. and Loral Space & Communications,

UGIMAG and Magnequench in Indiana transferring both uranium enrichment technology and servo magnets for Smart Bombs to the PRC, nuclear technology secured illegally under the Clinton Administration, and the technology to target our cities, and now Global Crossing. Apparently unrelated but should be relevant if national security matters are relevant at all and the connection between military, any form of warfare, and communications is fully understood.

American citizens cannot help but ask two questions:

Is anyone in Washington, DC paying attention?

Are we all “for sale” and our national security “at risk” for political expediency and profits for only the big firms?

Washington Weekly Carl Limbacher 6/1/98; "According to a Scripps Howard report by Michael Hedges, which ran on the front page of the March 14, 1997 edition of the Arkansas Democrat Gazette, the Clinton administration granted Wang Jun's Poly Technologies importation permits to flood America with over 100,000 semi-automatic weapons and millions of rounds of ammunition -- despite the president's own cherished gun ban. That was on Feb. 2, 1996 -- just days before Clinton issued the first satellite waivers for Loral Corp.

Is it really necessary that we all need to go to sleep at night now fearing Chinese ICBM nuclear missiles targeted at our cities by the Chinese instead of by Russia? Did the Cold War teach our leaders anything?

Is STT the only offer when there are three other offers at least and all higher than the STT offer?

How many times do we have to suffer from history to learn from it? Notwithstanding the Applicants flippant attitude towards regulations, law, the differences from right and wrong, timely filing of required information before this Commission, relevance in matters regarding national security is a concern for every man, woman and child in this nation.

The editorial writer and editor for the Arkansas Democrat Gazette (“ADG”), Mr. Paul Greenberg, covered Clinton’s career for more years than any other journalist. He summed up Clinton and the ADG “non-endorsement” for president with this one sentence:

Paul Greenberg.¹ ... "it is not the compromises that Clinton has made that trouble so much as the unavoidable suspicion that he has no principles to compromise." -- *Arkansas Democrat-Gazette*, Oct. 28, 1992

We from Arkansas had already had a massive dose of Clinton duplicitous-ness to know what perils the U.S. would face because of an absence of character. As an American citizen, this Respondent cannot help but ask: "Is our current government just a blind when it comes to money and the wishes of major political donors?"

Is relevance the sole purview of the Applicants who are highly motivated to mislead us all?

Maybe if Poly Technologies had tried to smuggle fully automatic weapons into the districts of Schumer, or Kennedy, or Feinstein or Boxer, maybe we would have more elected officials asking the right questions and paying attention to the right issues:

Congressional Record, <http://thomas.loc.gov> 9/22/99 Rep Dana Rohrabacher (R-CA) "...This acknowledgment of the type of technological disaster that we are in right now started 2 years ago. As chairman of the Subcommittee on Space and Aeronautics, which is my primary responsibility here in the House of Representatives, I went to a meeting of aerospace workers to find out what projects they are working on and to get a firsthand look and feel for our aerospace industry in the United States. During that meeting, one of the employees of the aerospace industry that I was talking to was talking about the project that he had just been involved in; he had just come back from China. He was saying, Congressman, those Chinese rockets, they do not even work. They do not have right-stage separation technology. We are trying to put our satellites up with those rockets and they will not work and they can only carry one payload. They can only carry one satellite. So I have spent the last year over there helping them try and correct these problems. I could not believe what I was hearing. Finally when he was done, I said, Let me get this straight. Your company has used this technology that we paid for, that the taxpayers paid for, you are using that technology and your expertise and your company, every means that your company has, to improve the capability and the reliability of the rocket systems over in China? He says, Why, yes. Their stage separation, he repeated that, they do not have the exploding bolts, the stage separation that they need and they blow up right after it takes off. I looked at that aerospace worker and I said, You know, I think it is a good thing when Communist Chinese rockets blow up. And all of a sudden he said, Oh, you are thinking about the national security implications. And I said, Yes. Yes, I am. I am thinking about that. It is something we should think about. He said, Do not worry. We have a waiver from the White House...."

Congressional Record, <http://thomas.loc.gov> 9/22/99 Rep Dana Rohrabacher (R-CA) "...Well, that made me feel real good about that. I spent the next 6 months, Mr. Speaker, researching this issue. I went to the major aerospace firms and talked to them. I went to the subcontractors. I went to the aerospace employees, and I researched this issue myself before I made a speech on the floor of the House of Representatives. What I found was a verification that our companies, some of our major corporations, were over in China providing them with the technology they needed to make sure their rockets did not explode when the stages separated, to make sure that the rockets in China could carry

¹ <http://conservativechronicle.com/columnists/greenberg.htm>; *A thoughtful essayist who can also be a devastating critic, Greenberg describes himself as an "ideologically unreliable conservative." A frequent critic of Bill Clinton when the president was governor of Arkansas, Greenberg coined the phrase, "Slick Willie."*

more than one payload. When we are talking about payloads, we are not just talking about a peaceful satellite here. If you can carry more than one satellite, you can carry more than one warhead. More than one warhead means if they send a missile to the United States that does not explode because the stage separation now works with American technology, that it can carry two atomic bombs, or three, or four, and wipe out tens of millions of people in the United States rather than just a million people. This was not a secret to this administration that this was going on. In fact, when alarm bells went off, this administration put their thumb right on top of those civil servants throughout the administration who were supposed to be watching out for our security. We found that especially to be true in how this administration has been running our national laboratories....."

If anyone at the Commission gets the connection between Li Ka-shing, Singapore, PRC, Global Crossing, Asia Global Crossing now dba: Asia Netcom, et al, maybe relevance is a little easier term to grasp and under the purview of many, not just the Applicants.

If this Commission and CFIUS will not listen to competing bidders that are offering higher prices for Global Crossing assets, Global Crossing shareholders and former employees (the latter of which have been granted priority claim status in the bankruptcy), and do not represent a threat to national security or U.S. business interests, maybe the federal review authorities will listen to someone who worked for Global Crossing as filed on August 18, 2003. Someone whose career has been threatened if they did not keep their mouth shut about what has really transpired inside of the fraud that is Global Crossing.

Maybe relevance resides anywhere but at Global Crossing. It grows more apparent every day that truth has never, if ever, resided at Global Crossing, and notwithstanding the Applicants desires, the truth is relevant.

Maybe someone will start asking the right questions and be suspect of why the lowest of all bids is the "preferable bid", or better yet, why these Applicants cannot seem to get their act together and come forth with required information and do so in a timely manner. June 5, 2003 in Delaware bankruptcy court and here we are at August 18, 2003, therefore more than enough time to have announced this timely and this time not even with an apology for being tardy.

The proposed DIP financing Global Crossing is pursuing will require a full hearing before the SDNY bankruptcy court. That DIP facility has been arranged with GE Capital and Merrill Lynch Capital, the parent corporation of the latter being one of the firms heavily fined by the NY Attorney General Eliot Spitzer and SEC – state regulators actions on December 19, 2002 and April 28, 2003 respectively. The Applicants can rely that the objections and opposition to their DIP financing proposal are just now mounting against them. That hearing has been postponed to September 24, 2003 and the COMMAXXESS financing and full offer documents will be complete and on the table by that time as a response in objection to letting this charade continue on any further.

The COMMAXXESS offer is \$415 million cash now, \$400 million cash over the next 5 years and 38% of the post-bankruptcy Newco stock. Those are minimum recovery amounts, not the maximum that may be achieved under a better plan and not one intended to dress up a fraud to sneak it through the system. The STT deal offers 38.5% of the newco stock, therefore the COMMAXXESS offer is ½ of 1% less on stock but almost 3.5 times as much cash and in all cash terms minimum, not based upon non-cash consideration that can be easily subjected to dilution or devaluation.

That is the “highest and best offer” and relevant whether the Applicants like it or not.

If this Commission or CFIUS wish to learn, we would be more than happy to fully explain why “low bid, no due diligence” is preferable to “high bid with due diligence” when fraud is present and cover up in progress. We found what they are hiding in multiple telecoms and why they so urgently want to stick with STT to get a final order of bankruptcy to hide behind.

On a separate but related note, has the Commission noted that Leucadia National wishes to acquire all shares of WitTel Communications and place the ownership interests offshore? The WitTel board recently agreed to the offer. We predicted that would be the next move (strategy) the day Leucadia was announced as the Lock Up purchaser that Blackstone arranged in July 2002 to purchase WCG. Higher and better offers were not allowed in the door in the WCG Chapter 11 bankruptcy. It is all related, even if not apparently so.

Respectfully submitted,

Karl W. B. Schwarz
Chairman, Chief Executive
501-663-4959

Dated: August 18, 2003

CERTIFICATE OF SERVICE

I, Karl W. B. Schwarz, hereby certify that on this 18th day of August 2003, I caused a true and correct copy of the foregoing Supplemental Response In Support of National Security Issues to be served on the following parties in the manner indicated:

Qualex International
By E-mail: qualexint@aol.com

J. Breck Blalock
By E-mail: bblalock@fcc.gov

Susan O'Connell
By E-mail: soconnel@fcc.gov

Kathleen Collins
By E-mail: kcollins@fcc.gov

Elizabeth Yokus
By E-mail: eyokus@fcc.gov

Zenji Nakazawa
By E-mail: znakazaw@fcc.gov

Neil Dellar
By E-mail: ndellar@fcc.gov

John G. Malcolm
Deputy Assistant Attorney General
Criminal Division
United States Department of Justice
10th Street & Constitution Ave, N.W.
Washington, DC 20530
By Email

Patrick W. Kelley
Deputy General Counsel
Federal Bureau of Investigation
935 Pennsylvania Ave, N.W.
Washington, DC 20535
By Email

Debbie Goldman
Louise Novotny
Communications Workers of America
By E-mail: Debbie@cwa-union.org

ACN
Mr. Gerald Lederer
glederer@millervaneaton.com